

AMENDED IN ASSEMBLY MAY 8, 2013

AMENDED IN ASSEMBLY APRIL 24, 2013

AMENDED IN ASSEMBLY APRIL 1, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

## ASSEMBLY BILL

**No. 628**

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**Introduced by Assembly Members Gorell and Hall**  
**(Coauthors: Assembly Members Brown and V. Manuel Pérez)**

February 20, 2013

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An act to add Section 63045.2 to the Government Code, and to add Chapter 13 (commencing with Section 25990) to Division 15 of the Public Resources Code, relating to energy.

### LEGISLATIVE COUNSEL'S DIGEST

AB 628, as amended, Gorell. Energy management plans for harbor and port districts.

(1) Existing law requires the California Infrastructure Development Bank, following consultation with appropriate state and local agencies, to establish criteria, priorities, and guidelines for the selection of projects to receive assistance from the bank, including those based on, among other things, the State Environmental Goals and Policy Report, or its successor, relating to implementation of state environmental goals and policies. Existing law further requires that projects that receive assistance from the bank, among other things, facilitate effective and efficient use of existing and future public resources so as to promote both economic development and conservation of natural resources.

This bill would authorize the bank to fund projects to promote economic development in harbor and port districts that are developed pursuant to an energy management plan, and would require the bank

to consider ~~actions to remove barriers to~~ *appropriate action that it may take to facilitate the* financing ~~these of those~~ projects.

(2) Existing law requires the State Energy Resources Conservation and Development Commission to adopt energy conservation standards to reduce the wasteful, uneconomic, inefficient, or unnecessary consumption of energy, and to implement various programs to provide financial assistance to specified entities for energy efficient improvements.

This bill would authorize ~~a harbor or port district~~ *specified harbor and port districts, as defined*, in collaboration with an electrical corporation, gas corporation, or publicly owned electric utility serving the district, to prepare one or more energy management plans to reduce air emissions and promote economic development through the addition of new businesses and the retention of existing businesses in the district. The bill would require, if a district prepares an energy management plan pursuant to these provisions, that the plan include specified provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 63045.2 is added to the Government  
2 Code, to read:

3 63045.2. Projects to promote economic development in harbor  
4 and port districts implemented pursuant to an energy management  
5 plan developed in accordance with Chapter 13 (commencing with  
6 Section 25990) of Division 15 of the Public Resources Code shall  
7 be eligible for funding under this ~~article~~ *division*. The bank shall  
8 consider appropriate ~~action~~ *actions that it may take to remove*  
9 ~~unnecessary barriers for~~ *facilitate* the financing of those projects.

10 SEC. 2. Chapter 13 (commencing with Section 25990) is added  
11 to Division 15 of the Public Resources Code, to read:

12  
13 CHAPTER 13. ENERGY MANAGEMENT PLANS FOR HARBOR AND  
14 PORT DISTRICTS

15  
16 25990. The Legislature finds and declares all of the following:

1 (a) The state should promote the efficient use of low-cost,  
2 low-emissions energy sources in the operations of its ports and  
3 harbors.

4 (b) There is an opportunity in port and harbor district operations,  
5 including the movement of commercial goods, to reduce vehicular  
6 emissions of greenhouse gases and criteria pollutants.

7 (c) The state should encourage the development of new  
8 businesses and the retention of existing businesses within port and  
9 harbor district boundaries.

10 (d) Energy utility customers located within the state's port and  
11 harbor districts can benefit from the addition of new businesses  
12 and the retention of existing businesses through increased energy  
13 cost certainty.

14 (e) Businesses located within the state's port and harbor districts  
15 could benefit through greater stability and certainty in the cost of  
16 energy services.

17 (f) Investor-owned and publicly owned utilities are in an optimal  
18 position, and should be encouraged to engage in joint projects with  
19 port and harbor districts to provide and administer energy-related  
20 service alternatives and programs that can promote economic  
21 development and retention in those districts.

22 25991. (a) For purposes of this chapter, the term "district"  
23 shall mean a harbor or port district formed pursuant to Division 8  
24 (commencing with Section 5000) of the Harbors and Navigation  
25 Code, *the Humboldt Bay Harbor, Recreation and Conservation*  
26 *District, the Ports of Hueneme, Oakland, Long Beach, Los Angeles,*  
27 *Redwood City, Richmond, San Diego, San Francisco, Stockton,*  
28 *and West Sacramento, and any other harbor, recreation, and*  
29 *conservation district that operates a harbor or port in the state.*  
30 A district may prepare one or more energy management plans,  
31 developed jointly with an electric corporation, as defined in  
32 subdivision (a) of Section 218 of the Public Utilities Code, a gas  
33 corporation, as defined in Section 222 of the Public Utilities Code,  
34 or a public utility, as defined in subdivision (a) of Section 216 of  
35 the Public Utilities Code, that produces, generates, or supplies  
36 electricity to the public and that serves the district in order to reduce  
37 air emissions, promote economic development, and encourage the  
38 development of new businesses and retain existing businesses in  
39 that district.

1 (b) If a district prepares an energy management plan pursuant  
2 to this chapter, it shall include, at a minimum, all of the following:

3 (1) *An assessment of current energy consumption within the*  
4 *district by energy source and type of users. Examples of users may*  
5 *include commercial, industrial, governmental, ships, individual*  
6 *transport, and product transport.*

7 (2) *An assessment of other energy efficiency and management*  
8 *issues the district determines to evaluate in order to inform the*  
9 *development of specific goals and actions that reduce air emissions*  
10 *and promote economic development, including all of the following:*

11 ~~(1)~~

12 (A) An electric or natural gas load forecast, developed in  
13 coordination with the serving electrical corporation, gas  
14 corporation, or local publicly owned electric utility, and that  
15 reflects anticipated load growth within the district.

16 ~~(2)~~

17 (B) An assessment of the role that distributed generation,  
18 combined with accurately priced utility services, could play in  
19 providing greater rate stability and energy cost certainty to aid in  
20 economic development, and proposed actions with respect to that  
21 role. This assessment shall be developed jointly with the serving  
22 electrical corporation, gas corporation, or local publicly owned  
23 electric utility.

24 (C) *An assessment, in consultation with business and industry,*  
25 *that identifies current and emerging processes and technologies*  
26 *to reduce energy consumption and improve energy efficiency.*

27 (D) *An assessment, in consultation with business and industry,*  
28 *that identifies domestic and international shipping requirements*  
29 *and operations related to energy use and consumption.*

30 (3) *A set of measurable energy performance and management*  
31 *goals that reduce air pollution and promote economic development,*  
32 *and a prioritized list of infrastructure projects, public education*  
33 *initiatives, and other actions that the district will undertake to*  
34 *achieve those goals.*

35 ~~(3)~~

36 (4) A list of recommendations, developed jointly with the  
37 serving electrical corporation, gas corporation, or local publicly  
38 owned electric utility, for the enhanced use of cost-effective energy  
39 efficiency and demand-side management in existing buildings and

1 the inclusion of energy efficiency measures as part of the  
2 development of new buildings.

3 ~~(4)~~

4 (5) A ~~plan~~ *description of measures to be taken* to reduce air  
5 emissions for vehicle use within district boundaries, including  
6 vehicles used for movement of commercial products. Proposed  
7 actions, developed jointly with the serving electrical corporation,  
8 gas corporation, or local publicly owned electric utility, may  
9 include replacement of vehicles with lower emitting alternatives  
10 and development of infrastructure, in appropriate areas, to aid in  
11 the refueling of alternative fuel vehicles, and may provide for  
12 utility ownership or operation of those facilities to provide services  
13 within the district.

14 ~~(5)~~

15 (6) Other proposed actions and associated utility services that  
16 may be implemented in connection with the jointly developed  
17 energy management plan.

18 (7) *A summary identifying governmental and nongovernmental*  
19 *impediments to implementation of the plan that includes*  
20 *recommendations on how these impediments may be overcome.*

21 (8) *A description of one-year, 3-year, 5-year, 10-year, and*  
22 *15-year objectives for implementation of the plan. These objectives*  
23 *shall be in sufficient detail to allow the district to undertake a*  
24 *meaningful annual review of the plan's progress.*

25 ~~(6)~~

26 (9) Proposed methods to fund the activities included in the plan,  
27 including funding through utility ratepayer-funded programs and  
28 financing through the California Infrastructure and Economic  
29 Developmental Bank established pursuant to Chapter 3  
30 (commencing with Section 63050) of Division 1 of Title 6.7 of  
31 the Government Code, the California Alternative Energy and  
32 Advanced Transportation Financing Authority Act (Division 16  
33 (commencing with Section 26000)), or other appropriate sources.

34 (10) *Other related energy plans, mandates, and requirements*  
35 *and, to the extent possible, leverage opportunities for achieving*  
36 *energy efficiency and sustainable energy production, while not*  
37 *overburdening impacted businesses.*

38 (c) *A district that prepares a plan shall engage with small*  
39 *business technical assistance providers to assist in the*  
40 *identification of joint or collaborative energy efficiency project*

1 *opportunities, public education activities, and financing*  
2 *opportunities that implement the actions and projects in the plan.*

3 ~~(e)~~

4 *(d) (1)* If a district has jointly developed with an electric or gas  
5 corporation one or more plan elements under a plan prepared  
6 pursuant to subdivision (b) that involves special programs to be  
7 offered in the district and administered by the electric or gas  
8 corporation to facilitate emissions reductions, increase energy  
9 efficiency, or promote economic development, including, but not  
10 limited to, the use of biogas for direct injection into common carrier  
11 pipelines, economic development rates, distributed generation,  
12 energy storage, and alternative fuel vehicle infrastructure, the  
13 Public Utilities Commission shall provide expedited review of the  
14 proposed jointly developed elements of the plan. ~~The~~

15 *(2)* The Public Utilities Commission shall encourage electric or  
16 gas corporations to participate jointly with local agencies in  
17 developing, implementing, and administering viable energy  
18 management plans for districts, and shall not limit the role of the  
19 electric or gas corporation that was cooperatively developed in the  
20 energy management plan. The governing boards of local publicly  
21 owned utilities and rural electric cooperatives shall encourage joint  
22 participation with local agencies and gas corporations in  
23 developing, implementing, and administering viable energy  
24 management plans for districts.

25 ~~(d)~~

26 *(e)* If an energy management plan is prepared pursuant to this  
27 chapter, it shall also address the development of projects that  
28 provide greater certainty of energy costs over a period of up to 15  
29 years for businesses developing in the district and shall consider  
30 applying to the California Infrastructure and Economic  
31 Development Bank for financial support of these projects.

32 *(f)* The Public Utilities Commission may offer technical  
33 assistance in the preparation of the energy management plans  
34 developed and implemented pursuant to this chapter including,  
35 but not limited to, identifying best practices, innovations in  
36 technology, and potential funding sources.